



Department of Commerce

Washington State Housing Trust Fund (HTF)

2016 HEALTH HOMES FUNDING ROUND Notice of Funding Availability (NOFA)

The Washington State Legislature appropriated funds for the construction or renovation of Health Homes in the Housing Trust Fund Appropriation section of the [2016 Supplemental Capital Budget \(ESHB-2380, Laws of 2016\)](#), Section 1005, Paragraphs (9) and (10)). Applications are solicited by the Department of Commerce (Commerce) for the development of three Health Homes seeking funding from this appropriation.

I. FUNDING AVAILABILITY

\$4.5 million in funding is available for three Health Homes that will serve people with severe health and housing challenges, including those who are medically fragile and those who have been diagnosed with a chronic behavioral health disorder. Agencies operating Health Homes shall employ protocols to improve the care and stability of clients and mental health outcomes. The Health Homes must be located in counties that have adopted the tax, authorized under RCW 82.14.460, for chemical dependency or mental health treatment services.

- \$1.5 million will be awarded to a Health Home project in Southwest Washington
- \$1.5 million will be awarded to a Health Home project in Eastern Washington
- \$1.5 million will be awarded to a Health Home project in Pierce County

For the purposes of this application, these regions contain the following counties:

- Southwest Washington: Clallam, Jefferson, Grays Harbor, Kitsap, Mason, Pacific, Thurston, Lewis, Wahkiakum, Cowlitz, Clark, and Skamania.
- Eastern Washington: Okanogan, Chelan, Kittitas, Yakima, Klickitat, Douglas, Grant, Benton, Ferry, Stevens, Pend Oreille, Lincoln, Spokane, Adams, Whitman, Franklin, Walla Walla, Columbia, Garfield, and Asotin.

While Health Homes is not defined in the Supplemental Capital Budget, Commerce encourages applicants to review the Health Care Act (HCA) information regarding Health Homes (below), and describe how they plan to provide services in alignment with the HCA's description:

- http://www.hca.wa.gov/medicaid/health_homes/Documents/toolkitfaq.pdf
- https://www.medicaid.gov/state-resource-center/medicaid-state-technical-assistance/health-homes-technical-assistance/downloads/health-homes-faq-5-3-12_2.pdf

Applicants are also hereby notified that Commerce may only approve applications for projects for persons with mental illness that are consistent with a behavioral health organization six-year capital and operating plan, per [RCW 43.185.070 \(6\)](#).

II. TIMELINE

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|---|--------------------------------|
| Health Home Applications Solicited (NOFA) | August 2, 2016 |
| Health Home Applications Due to Commerce | September 15, 2016 |
| Health Home Awards Announced | On or around December 15, 2016 |

Commerce reserves the right to revise this timeline.

III. APPLICATION DOCUMENTS AND INSTRUCTIONS

The Health Homes Application forms can be downloaded from the [Applying for Housing Trust Fund Funding](#) webpage.

1. **SUBMISSION DEADLINE:** Applications must be **received** by Commerce **by 5 p.m. on September 15, 2016**. An incomplete application will be considered non-responsive and will not be reviewed.
2. **STAGE 2 APPLICANTS:** Health Home applicants on the [Stage 2 Invitation list](#) may also submit a HTF Stage 2 application in the 2016 funding round. The Health Homes review and award process will be independent from the HTF review process. If the applicant is submitting both a Health Home and an HTF Stage 2 application in parallel, the HTF Stage 2 application must show financial viability without the use of Health Home funds.
3. **SUBMISSION FORMAT:**
 - ONLY electronic submissions of the Application forms will be accepted.
 - Applications must be submitted in the original Excel format provided by Commerce. DO NOT convert your Application to PDF or other file formats.
 - Save the Application on CD, DVD, flash-drive, or thumb-drive, and mail it to the address below. They must be **received** by the application deadline.

Housing Trust Fund
1011 Plum Street SE
P.O. Box 42525
Olympia, WA 98504-2525

- Applicants will receive an email confirmation of receipt by 5 p.m. the following business day, September 15, 2016. If confirmation is not received within this period, it is the applicant's responsibility to verify with Commerce staff by emailing us at htfapp@commerce.wa.gov. If proof of timely submission can be provided, the Application will be accepted. Otherwise, the

Application will be determined not to have been received by the deadline and will be considered non-responsive.

IV. APPLICATION REQUIREMENTS

The Health Home Applications must meet ALL of the requirements below in order to be reviewed and evaluated

1. **SUBMISSION:** Applications must meet the submission requirements identified in Sections II and III of this NOFA.
2. **AMOUNT REQUESTED:** The requested Health Home award amount must not exceed \$1.5 million.
3. **PROJECT LOCATION:** Projects must be located in Pierce County, Eastern Washington, or Southwest Washington and in counties that have adopted the tax, authorized under RCW 82.14.460, for chemical dependency or mental health treatment services.
4. **READINESS:**
 - a. **Site Control:** Prior to receiving funds, project recipients must demonstrate that the project site is under control for a minimum commitment period determined by Commerce, either through ownership or a long-term lease.
 - b. **Full Funding:** Commerce may award funds but will not release the funds unless and until the non-state share of project costs have been either expended, or firmly committed, or both, in an amount sufficient to complete the project or a distinct phase of the project that is useable to the public for the purpose intended by the legislature.
5. **REIMBURSEMENT ONLY:** Project funds are available on a reimbursement basis only, and shall not be advanced under any circumstances.
6. **COVENANT:** Projects funded must be held by the recipient and serve the intended population for which the applicant is applying for a minimum period determined by Commerce.
7. **STATE PREVAILING WAGES:** Awards will be in the form of recoverable grants. Projects funded by state grants will be required to pay state prevailing wages. Commerce strongly recommends that the applicants consult with Washington State Department of Labor & Industries regarding prevailing wage requirements.
8. **EVERGREEN SUSTAINABLE DEVELOPMENT STANDARD (ESDS):** Health Home projects are required to comply with the affordable housing green building standard, [ESDS](#).

V. APPLICATION PRIORITIES

The Health home Applications that meet ALL of the Requirements above (Section IV) will be prioritized and evaluated based on the following criteria:

1. **NEED:** Priority will be given to projects that demonstrate both financial and community need for the project as well as meeting the legislative requirements stated in [2016 Supplemental Capital Budget \(ESHB-2380, Laws of 2016](#), Section 1005, Paragraphs (9) and (10)).
2. **LEVERAGE:** Priority will be given to projects leveraging Health Home dollars with other resources (e.g., private and public funding, applicant contributions, and federal funds).
3. **SERVICES:** Priority will be given to applications demonstrating that their Health Home service plans are financially feasible and sustainable (see Section I above). Awards will be contingent on the applicant's ability to secure all necessary service commitments.
4. **FINANCIAL OPERATIONS:** Pro-forma should demonstrate sufficient revenues to cover projected operating expenses. If subsidy revenue is included, the applicant should demonstrate the ability to secure the subsidy and provide evidence of support of the project from the subsidy source.
5. **HOUSING DEVELOPMENT EXPERIENCE:** The applicant should have recent prior experience in affordable housing development. If the applicant has not had experience within the past seven years, the applicant should partner with a development consultant experienced in affordable housing development.
6. **ORGANIZATIONAL CAPACITY:** The applicant should demonstrate the capacity to develop the project, manage and operate the project long-term, and deliver appropriate services to people who are medically fragile and who have been diagnosed with a chronic behavioral health disorder. If the applicant lacks the sufficient capacity to develop and operate the project and/or provide adequate services, it should identify formal partnerships with experienced entities capable of developing and operating the project and/or delivering adequate services.

Applications may be subject to additional Priorities, as determined by Commerce.

VI. QUESTIONS

For questions and additional information please contact Dena Harris by phone at (360) 725-2902 or by email at Dena.Harris@commerce.wa.gov.

For questions *specifically* related to technical matters with the application materials, please contact Sean Harrington at Sean.Harrington@commerce.wa.gov. Please allow at least two business days for resolution of any issues.